

RAHM EMANUEL
5TH DISTRICT, ILLINOIS

CHAIRMAN, HOUSE
DEMOCRATIC CAUCUS

COMMITTEE ON
WAYS AND MEANS

SUBCOMMITTEE ON HEALTH

SUBCOMMITTEE ON SELECT REVENUE MEASURES

Congress of the United States
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**GENERIC PHARMACEUTICAL ASSOCIATION SAYS
PERU FTA STRIKES RIGHT BALANCE ON MEDICINES**

Dear Democratic Colleague:

As our caucus begins its consideration of the Peru free trade agreement ("FTA"), I urge you to take into account the critical changes that the agreement makes in the area of medicines.

New provisions were incorporated into the Peru FTA as a result of the historic May 10 agreement reached by House Democrats. These provisions make it easier for generic drugs to enter the Peruvian market, enhancing access to life-saving medicines in Peru. At the same time, the new text preserves protections needed by innovative drug companies to continue to make their important contributions to drug research and development.

The Generic Pharmaceutical Association ("GPhA") – which represents manufacturers of the vast majority of affordable pharmaceuticals dispensed in the United States – has urged support for the Peru FTA. GPhA hails the new medicines provisions as "an important step forward in ensuring that our free trade agreements reflect the balance contained in U.S. law between the interests of fostering drug innovation and ensuring access to affordable medicines."

GPhA's endorsement of the Peru FTA – the first bilateral U.S. free trade agreement ever to be endorsed by the organization – speaks to the groundbreaking nature of the medicines provisions in the agreement. I have attached GPhA's letter of support. Please give these critical provisions your consideration and support the Peru free trade agreement.

Sincerely,



Rahm Emanuel
Member of Congress



GENERIC PHARMACEUTICAL ASSOCIATION

September 21, 2007

The Honorable Charles Rangel
Chairman, House Committee on
Ways and Means
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Rangel, Ranking Member McCrery and Members of Ways and Means:

On Tuesday, September 25, the Ways and Means Committee is scheduled to conduct its mock markup of the implementing legislation for the U.S.-Peru Trade Promotion Agreement, which fully incorporates the May 10 bipartisan compromise. The Generics Pharmaceutical Association (GPhA) welcomes the recent changes to the intellectual property protection provisions for pharmaceuticals as an important step forward in ensuring that our free trade agreements reflect the balance contained in U.S. law between the interests of fostering drug innovation and ensuring access to affordable medicines.

We urge you to support the U.S.-Peru Trade Promotion Agreement, including the intellectual property provisions for pharmaceuticals.

For more than 20 years, the U.S. health care system has proven that bringing competition into the pharmaceutical marketplace results in lower consumer costs without stifling innovation. This new trade policy recognizes that this balance can also be achieved abroad. It modifies some key provisions that could unduly block generic competition in our free trade partners and delay timely access to affordable medicines. At the same time, it does nothing to hinder innovation and, in fact, brings other nations more in line with the research and development incentives pharmaceutical companies currently enjoy here in the United States.

We greatly appreciate the efforts of Mr. Rangel, Mr. McCrery, other Congressional leaders and the Administration to strike the right balance in our trade agreements, and wish them success in passing the pending Latin trade agreements, beginning with Peru.

Sincerely,

Kathleen D. Jaeger
President and CEO

GPhA represents the manufacturers and distributors of finished generic pharmaceuticals, manufacturers and distributors of bulk active pharmaceutical chemicals, and suppliers of other goods and services to the generic drug industry. Unbranded and branded generics represent 63% of the total prescriptions dispensed in the United States, but only 20% of all dollars spent on prescription drugs.